

R E M A R K S

Claims 1 to 57 were pending and Claims 1 to 59 will be pending upon entry of this response, with Claims 58 and 59 have been added herein. Claims 1, 19 to 22, and 46 to 59 will be the only pending independent claims.

Claims 1 to 57 stand rejected under 35 U.S.C. Section 103(a) as unpatentable over Garfinkle (U.S. Patent No. 6,512,570) in view of Official Notice, in view of Harris ("Standing Up To Chargebacks," Apparel Industry Magazine, 1996), and further in view of Scroggie (U.S. Patent No. 6,014,634). Applicants respectfully traverse the Examiner's rejection.

The Examiner has not met his *prima facie* burden of showing that all elements of each of the rejected claims are taught by the references. Regarding independent Claims 1, 19, 22, 46, 47, 50, 51, 52, 55, 56 and 57 the Examiner has not addressed (at all) Applicants' claimed feature of redeeming a non-integer (or fractional) number of units of product. Since the Examiner has not identified (and Applicants cannot find) Applicants' claimed feature in any of the cited references, Applicants respectfully request withdrawal of the Section 103 rejection of Clams 1, 19, 22, 46, 47, 50, 51, 52, 55, 56, 57, and the corresponding dependant claims.

Regarding independent Claims 20, 21, 48, 49, 53, and 54, the Examiner has not identified any reference that teaches or suggests Applicants' claimed feature of "controlling a redemption device to stop dispensing a product after X units of the product have been dispensed" or the like. Despite the Examiner's assertion to the contrary, Garfinkle in view of Scroogie does not teach anything regarding controlling a redemption device to stop dispensing a product. Applicants respectfully request withdrawal of the Section 103 rejection of Clams 20, 21, 48, 49, 53, 54, and the corresponding dependant claims.

Further, the Examiner has not met his burden of providing a motivation to combine the Garfinkle and Scroogie. Thus, the Examiner's Section 103 rejection is untenable for this additional reason.

Throughout the Office Action the Examiner makes many unsupported factual assertions of what he believes is "old and well known." Applicants assume that the Examiner intended to take Official Notice of these facts. For the record, Applicants do

not agree with nor accept the Examiner's assertion and respectfully request that the Examiner provide a reference in support of his Officially Noted subject matter, particularly with respect to subsidy offers, installment payments, redemption quantity exceeding agreement quantity, payment after partial redemption, tracking quantity redeemed, customer-specified pricing, partial payment, and product substitution in the context of redeeming a fractional number of units of a product.

Further, Applicants assert that the Examiner's use of Official Notice is improper in that the Examiner has impermissibly relied upon Official Notice as the principle basis for his rejection of Applicants' claims.

Newly added Claims 58 and 59 include features of Claim 1 and thus are patentable for at least the reasons provided above.

Applicants believe that all of the claims are in condition for allowance and the Examiner's early re-examination and reconsideration are respectfully requested.

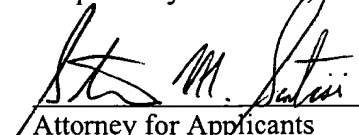
Alternatively, if there is any question regarding the present application or any references, or if the Examiner has any suggestions for expediting allowance of the present application, the Examiner is cordially requested to contact Steven Santisi at telephone number 203-461-7054 or via electronic mail at santisi@walkerdigital.com.

Applicants hereby request that any additional fees required for entry of this response be charged to Deposit Account No. 50-0271. The Assistant Commissioner is further authorized to charge any additional fees which may be required for the submission of this paper, or credit any overpayment to Deposit Account No. 50-0271.

Furthermore, should an extension of time be required, please grant any extension of time which may be required to make this submission timely, and charge any fee for such an extension to Deposit Account No. 50-0271.

November 12, 2003
Date

Respectfully submitted,



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